

Analysis of Financial Performance In Company PT. Indofood Sukses Makmur Tbk. Based On Ratio Analysis Liquidity and Profitability Period 2015-2019

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ABSTRACT

The industry is one sector that has an important role in the development of a country. One of them is an industry in Indonesia, and its products that are in great demand are consumer goods with specifications of food products and household goods. An assessment of a company's financial level can be done by analyzing the company's financial statements. The financial statements used are the balance sheet and income statement from 2015 to 2019. To find out whether the company's financial condition is in good condition, various analyzes can be performed. One analysis that can be used to determine the company's financial situation is financial ratio analysis. The purpose of this study is to assess the company's performance by using the financial ratio analysis of PT Indofood Sukses Makmur, Tbk on the Indonesia Stock Exchange. This research was conducted by conducting documentation techniques with data obtained from the financial statements of PT Indofood Sukses Makmur. Then analyzed using financial statement analysis consisting of liquidity ratios and profitability ratios. The analytical method used is a descriptive analysis using the measurement of liquidity ratios and profitability. Based on the calculation of ratio analysis from PT Indofood Sukses Makmur, the liquidity ratio has increased every year so that the company's condition can be categorized quite well. Whereas, based on profitability ratios, it shows an increasing number from year to year so that it can be said the state of the company is in a good position.

INTRODUCTION

Great corporate administration has an impact on the creation of corporate esteem (Mangantar & Ali, 2015). Monetary data administration within the current commerce environment has been a solid driver in Indonesia's trade handle execution since it decides organizational development and sustainability (Siriginidi, 2000). Moreover, within the field of government, since the starting of the independence time in which parts of the assignments of the state were cleared out to the autonomous organs, which were obliged or authorized to carry out their obligations on their possess activity and arrangement organs (Mangantar, 2018).

(Khaled Al-Fawaz, 2008) Companies are one frame of an organization that, by and large, contains a want to attain objectives within the business world. Victory in accomplishing company objectives is administration accomplishment. Companies have to conduct money related execution appraisals to discover out whether those accomplished are in understanding with arranging or not and have a sound and proficient monetary execution to induce benefits and move forward company execution. Money related execution is an examination conducted to see the degree to which a company has carried out utilizing the rules of money related execution appropriately and accurately.

Base on (Weerawardena, McDonald, & Mort, 2010) Companies are one frame of an organization that, by and large, contains a want to attain objectives within the business world. Victory in accomplishing company objectives is administration accomplishment. Base on (Al-Fawaz, Al-Salti, & Eldabi, 2008) Companies have to conduct money related execution appraisals to discover out whether those accomplished are in understanding with arranging or not and have a sound and proficient monetary execution to induce benefits and move forward company execution. Money related execution is an examination conducted to see the degree to which a company has carried out utilizing the rules of money related execution appropriately and accurately.

Base on (Arnety, Ujunju, & Wepukhulu, 2013) Development, prospects, future, and the potential for great advancement in a company can be seen through the monetary execution of a company. Subsequently, money related execution is vital for each company in commerce competition to preserve the coherence of the company. Base on (Khan, Naz, Khan, Khan, & Ahmad, 2013) To survey a company's money related execution, we require important data relating to the company's exercises for a certain period to interested parties as well as one of the variables that can appear how the company's execution is nice or not, specifically by analyzing monetary statements. Financial Explanation Examination is the method of distinguishing company monetary characteristics gotten from bookkeeping information and other money-related explanations (Kasmir, 2017).

Subsequently, money related execution is vital for each company in commerce competition to preserve the coherence of the company. (Ghi, 2015) To survey a company's money related execution, we require important data relating to the company's exercises for a certain period to interested parties as well as one of the variables that can appear how the company's execution is nice or not, specifically by analyzing monetary statements.

The Benchmark that's often utilized within the examination of financial statements is the proportion. A proportion may be a number that appears the relationship between other pertinent components in money related explanations. Proportion examination can be seen within the improvement of company execution in terms of company funds from year to year and can take preventive measures to dodge trade disappointment. The proportion utilized in this consider is the Liquidity Ratio and Profitability Ratio. Liquidity Ratio may be a proportion that measures a company's capacity to meet its short-term obligation commitments on time. At the same time, the Profitability ratio is the proportion that measures the general viability of the company in creating benefits concerning deals and speculation.

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This sort of inquiring about could be quantitative research utilizing graphic thinks about. Base on (Sugiyono, 2008) A clear investigation within the frame of the case considers is by collecting, preparing, and translating the information gotten amid a certain period. The question of inquiring about chosen by the creator is the money related execution of PT. Indofood Sukses Makmur Tbk recorded on the Indonesia Stock Trade (IDX) by utilizing money related articulations as a premise for productivity and liquidity investigation in evaluating monetary execution amid the period 2015-2019.

The information source utilized in this ponder is auxiliary information. Auxiliary information can be characterized as information collected by other parties. The information in this ponder is auxiliary within the shape of archives gotten from IDX/Indonesia Stock Trade by means of the web which is related to this inquiry about. The information utilized in this ponder was gotten from monetary articulations at PT. Indofood Sukses Makmur from 2015 until 2019.

The investigation procedure utilized in this ponder is the investigation of monetary proportions to be specific Liquidity Ratio and Profitability Ratio.

Liquidity Ratios. The liquidity ratio calculated in this ponder are as takes after:

- a. Current Ratio = $\frac{\text{Current Assets}}{\text{Current Liabilities}} \times 100$
- b. Quick Ratio = $\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}} \times 100$
- c. Cash Ratio = $\frac{\text{Cash}}{\text{Current Liabilities}} \times 100$

Profitability Ratio. The productivity proportion calculated in this ponder is as takes after:

- a. Net Profit Margin = $\frac{\text{Net Income}}{\text{Inventory}} \times 100$
- b. Return On Asset = $\frac{\text{Net Income}}{\text{Total Assets}} \times 100$
- c. Return On Equity = $\frac{\text{Net Income}}{\text{Total Equity}} \times 100$
- d. Gross Profit Margin = $\frac{\text{Net Income}}{\text{Revenues}} \times 100$

RESULTS AND DISCUSSION

A. Results

The following is an analysis of the results of PT Indofood Sukses Makmur's financial data research using financial ratio analysis, namely financial ratios and profitability ratios.

1. Liquidity Ratio

a. Current Ratio

Tabel 1
Current Ratio PT. Indofood Sukses
Makmur, Tbk. Period 2015 – 2019

Year	Current Assets (Rp)	Current Liabilities (Rp)	Current Ratio (%)
2015	42.816.745	25.107.538	170,53
2016	28.985.443	19.219.441	150,81
2017	32.515.399	21.637.763	150,27
2018	33.272.618	31.204.102	106,62
2019	31.403.445	24.686.862	127,20
Average Current Ratio			141,08

Based on Table 1 the calculation of the current ratio of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The magnitude of the current ratio in 2010-2014 overall was the highest in 2015 at 170,53% and the lowest in 2018 at 106,62%. The increase in the current ratio in the company because the value of current assets is far greater than the increase in the value of current debt. This condition shows that the company can fulfill its current liabilities on time with its current assets.

b. Quick Ratio

Tabel 2
Quick Ratio PT. Indofood Sukses Makmur,
Tbk. Period 2015 - 2019

Year	Current Assets (Rp)	Inventory (Rp)	Current Liabilities (Rp)	Quick Ratio (%)
2015	42.816.745	7.627.360	25.107.538	140,15
2016	28.985.443	8.469.821	19.219.441	106,74
2017	32.515.399	9.690.981	21.637.763	105,48
2018	33.272.618	11.644.156	31.204.102	69,31
2019	31.403.445	9.658.705	24.686.862	88,08
Average Quick Ratio				101,95

Based on Table 2, the quick ratio calculation of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The amount of quick ratio produced in 2015-2019 overall was highest in 2015 at 140,15% and the lowest in 2018 at 69,31%. But experienced an increase the following year. This increase shows that the company is still able to pay its short-term liabilities that are guaranteed by current assets without entering inventory.

c. Cash Ratio

Tabel 3
Cash Ratio PT. Indofood Sukses Makmur,
Tbk. Period 2015 - 2019

Year	Cash (Rp)	Current Liabilities (Rp)	Cash Ratio (%)
2015			
2016			
2017			
2018			
2019			
Average Cash Ratio			

2015	13.076.076	25.107.538	52,08
2016	13.362.236	19.219.441	69,52
2017	13.689.998	21.637.763	63,26
2018	8.809.253	31.204.102	28,23
2019	13.745.118	24.686.862	55,67
Average Cash Ratio			53,75

Based on Table 3, the cash ratio calculation of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The amount of quick ratio generated in 2010-2014 overall was the highest in 2016 at 69,52% and the lowest in 2018 at 28,23%. The decrease in cash ratio indicates the smaller ability of a company to pay off its financial obligations due to the company's reduced cash and is followed by an increase in current debt.

2. Profitability Ratio

a. Net Profit Margin

Tabel 4
Net Profit Margin PT. Indofood Sukses
Makmur, Tbk. Period 2015 – 2019

Year	Net Income (Rp)	Inventory (Rp)	Net Profit Margin (%)
2015	3.709.501	64.061.947	5,79
2016	5.266.906	66.750.317	7,89
2017	5.145.063	70.186.618	7,33
2018	4.961.851	73.394.728	6,76
2019	5.902.729	76.592.955	7,70
Average Net Profit Margin			7,09

Based on Table 4, the calculation of the net profit margin of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The amount of net profit margin generated in 2015-2019 overall was the highest in 2016 at 7,89% and the lowest in 2015 at 5,79%. The increase that occurred in 2018-2019 from 6,76% to 7,70% shows that the company can generate net profit by increasing the number of sales in each year that exceeds the cost of goods sold.

b. Return On Asset

Tabel 5
Return On Asset PT. Indofood Sukses
Makmur, Tbk. Period 2015 - 2019

Year	Net Income (Rp)	Total Assets (Rp)	Return On Asset (%)
2015	3.709.501	91.831.526	4,03
2016	5.266.906	82.174.515	6,40
2017	5.145.063	87.939.488	5,85
2018	4.961.851	96.537.796	5,13

2019	5.902.729	96.198.559	6,13
Average Return On Assets			5,50

Based on Table 5, the calculation of return on assets of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The amount of return on assets produced in 2015-2019 overall was the highest in 2016 at 6,40% and the lowest in 2015 at 4,03%. The increase occurred in 2018-2019 from 5,13% to 6,13%. This shows that the company's ability to generate net income based on assets owned is quite good. So that the assets owned can rotate faster to make a profit.

c. Return On Equity

Tabel 6
Return On Equity PT. Indofood Sukses Makmur, Tbk. Period 2015 - 2019

Year	Net Income (Rp)	Total Equity (Rp)	Return On Equity (%)
2015	3.709.501	43.121.593	8,60
2016	5.266.906	43.941.423	11,98
2017	5.145.063	46.756.724	11,00
2018	4.961.851	49.916.800	9,94
2019	5.902.729	54.202.488	10,89
Average Return On Equity			10,48

Based on Table 6, the calculation of return on equity of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The amount of return on equity generated in 2010-2014 overall was the highest in 2016 at 11,98% and the lowest in 2015 at 8,60%. The increase occurred in 2018-2019 from 9,94% to 10,89%. The higher the return on equity obtained the better.

d. Gross Profit Margin

Tabel 7
Gross Profit Margin PT. Indofood Sukses Makmur, Tbk. Period 2015 - 2019

Year	Gross Profit (Rp)	Revenues (Rp)	Return On Equity (%)
2015	17.258.058	64.061.947	26,93
2016	19.428.440	66.750.317	29,10
2017	19.868.522	70.186.618	28,30
2018	20.212.055	73.394.728	27,53
2019	22.716.361	76.592.955	29,65
Average Gross Profit Margin			28,30

Based on Table 7 the calculation of gross profit margin of PT. Indofood Sukses Makmur, Tbk in 2015-2019. The amount of

gross profit margin generated in 2015-2019 overall was highest in 2019 of 29,65% and the lowest in 2015 of 26,93%. This increase shows that the company can control its operating costs by continuing to increase prices through sales.

B. Discussion

Financial Performance Assessment of PT. Indofood Sukses Makmur, Tbk

Based on the calculation of the ratio that has been described, it can be seen as the financial condition of PT. Indofood Sukses Makmur, Tbk, which will be assessed through the company's financial performance, including profitability ratios and liquidity ratios.

Table 8

Financial Performance Assessment PT. Indofood Sukses Makmur, Tbk
Period 2015-2019

		Year (%)							
Financial Performance		2015	2016	2017	2018	2019	Average Ratio	Standart	Information
	Liquidity								
	Current Ratio	170,53	150,81	150,27	106,62	127,20	141,08	200%	IL Likuid
	Quick Ratio	140,15	106,74	105,48	69,31	88,08	101,95	100%	Likuid
	Cash Ratio	52,08	69,52	63,26	28,23	55,67	53,75	30%	Likuid
Profitability									
Net Profit Margin	On	5,79	7,89	7,33	6,76	7,70	7,09	5%	Efficient
Return Asset	On	4,03	6,40	5,85	5,13	6,13	5,50	5%	Efficient
Return Equity	On	8,60	11,98	11,00	9,94	10,89	10,48	20%	Not Efficient
Gross Profit Margin		26,93	29,10	28,30	27,53	29,65	28,30	20%	Efficient

From the calculation table of the financial performance assessment above, the interpretation of the financial condition of PT. Indofood Sukses Makmur, Tbk are as follows:

1. Financial condition is seen from the liquidity ratio

a. Current Ratio

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, Current Ratio has an average below the industry standard and is said to be ILikuid (not good). This can be said that the company is unable to pay short-term obligations or debt that is due soon with current assets available.

b. Quick Ratio

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, the fast ratio has an average above the industry standard and is said to be liquid (good). This can be said

that the company is paying obligations or current debt with current assets without taking into account the value of inventory.

c. Cash Ratio

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, Cash Ratio has an average above the industry standard and is said to be liquid (good). This can be measured that the company can cover its short-term debt obligations.

2. Financial condition is seen from the profitability ratio

a. Net Profit Margin

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, overall the average net profit margin was above the industry standard. This shows the company's ability to generate profits.

b. Return On Asset

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, Return On Assets have an average above industry standards and are said to be efficient. These results indicate the company's ability to generate after-tax operating profit from total assets owned by the company.

c. Return On Equity

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, Return On Equity has an average below the industry standard and is said to be inefficient. This shows the low ability of the company to generate profits, which will be used to cover the investment incurred.

d. Gross Profit Margin

Financial performance assessment of PT. Indofood Sukses Makmur, Tbk during 2015-2019, Gross Profit Margin has an average above industry standard and is said to be efficient. This shows the company's ability to generate gross profit that can be achieved from each sale.

CONCLUSION

From the liquidity ratio can be seen, overall the average current ratio of PT. Indofood Sukses Makmur, Tbk during 2015-2019 said IL was liquid because the average was still below the time series data as a benchmark. While the quick ratio is said to be a Liquid, and the overall cash ratio is said to be a Liquid, because the average size is above the time series data as a benchmark. The calculation of liquidity proportions within the examination of budgetary execution is to decide the capacity of a company to meet its obligation commitments and to check the productivity of working capital.

From the profitability ratio can be seen, overall the average net profit margin of PT. Indofood Sukses Makmur, Tbk during the year, said to be efficient because of the average size above the time series data as a benchmark. On return on assets is also said to be efficient. The return on equity is said to be inefficient because the average size is still below the time series data as a benchmark, and the gross profit margin is said to be efficient. Calculation of productivity proportions within the investigation of money related execution is required for recording money related exchanges that are more often than not utilized by financial specialists and banks (banks) to survey the number of speculation benefits to be gotten by speculators and the number of corporate benefits to surveying the company's capacity to pay obligations to leasers based on the level of utilization of resources and other assets so that the level of effectiveness of the company is seen. That way, each benefit and chance in a company can be known effectively. Typically what opens up openings for each company to require steps and arrange the following procedure for the company's benefits going forward.

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